

UTAH Water Quality Project Assistance Program FY2005 INTENDED USE PLAN

I. INTRODUCTION

The State has agreed to prepare a plan, the Intended Use Plan (IUP), identifying the intended uses of the funds in the SRF during FY2005 and how those uses support the goals of the SRF as required under Section 606(c) of the Clean Water Act. The primary purpose of the IUP is to identify proposed annual intended use of the amounts available to the SRF and the Rural Community Hardship Grant Program. However, the IUP has been expanded to also include the Utah Wastewater Loan Program.

The secondary purpose of the IUP, established by Section 601(b) of the Act, is to facilitate the negotiation process for the capitalization grant agreement and schedule of grant payments. Therefore, the IUP will be subject to public comment and review and will include the following information:

1. List of Projects
2. Long and Short Term Goals
3. Supporting Information on SRF Activities
4. Assurances and Specific Proposals
5. Criteria and Method for Distribution of Funds
6. Proposed SRF Payments Schedule

II. LIST OF PROJECTS

The State is considering the following list of eligible projects for receiving FY2005 State Revolving Funds:

Potential State Revolving Fund Federal Projects

Municipal Wastewater Construction Projects:

<u>Name of Community</u>	<u>Project Type</u>	<u>Estimated Amount</u>
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Loans Closed – Remaining Draws:

Payson City	Upgrade & expansion of treatment facility	\$1,282,652
Central Davis County SD	Upgrade and New Interceptors	1,300,000
Bear Lake SSD	New collection, interceptor & treatment	630,000
Fairview City	New treatment, collection & interceptor	<u>\$2,399,900</u>
		<u>\$5,612,552</u>

Loans Authorized – Unclosed:

Parowan City	Upgrade & expansion of treatment	\$2,873,000
Stockton Town	New Treatment & Collection System	1,870,000
North Davis County SD	Wastewater Treatment Plant Upgrade	20,000,000
Moroni City	Treatment & Collection Upgrade	2,635,000
Twin Creeks SSD	New Sewer Extension	487,000
North Fork SSD	New Treatment Facility	<u>1,640,000</u>
	Total Unclosed Loans	<u>\$29,505,000</u>

Planned Loans - Unauthorized Projects:

Timpanogos SSD	Reuse	\$2,000,000
Eagle Mountain	Wastewater Treatment Plant Upgrade	2,500,000
Central Weber/ Pineview Water	Wastewater Reuse Project	1,500,000
Central Valley WRF	Wastewater Reuse Project	36,100,000
Hooper City	New interceptor & collection system	10,000,000
Price City	Advanced Treatment	10,000,000
Manti City	Rehab Lagoons & Collection System	1,500,000
Eureka City	Facility Upgrade	<u>1,000,000</u>
	Total Municipal WWT projects	<u>\$64,600,000</u>

Non Point Source Projects:

Reserve for projects yet to be identified	<u>\$1,000,000</u>
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Underground Wastewater Disposal System Projects:

Reserve for projects yet to be identified	<u>\$300,000</u>
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TOTAL	<u>\$101,017,552</u>
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This data is a projection of funding for the listed projects. Determination will be made through the Utah Water Quality Board authorization, for project, loan amount, and financing term. An amount equal to four percent (4%) of the SRF Capitalization Grant funds will be used for program administration. Projects will be funded from the FY2003 and FY2004 Capitalization Grants, additional Capitalization Grants if awarded, as well as SRF loan repayments and match from state funds. Projects may also be funded from the Utah Wastewater Project Assistance Program and later removed from the State Revolving Fund projects list.

The financial assistance agreements are described in detail in Tables 1 & 2.

In the event that the above projects do not proceed, the FY2005 Intended Use Plan is extended to include the entire FY2005 Wastewater Treatment Project Priority List as potential SRF projects. Projects will be considered by priority and by their readiness to proceed.

POTENTIAL UTAH WASTEWATER LOAN PROGRAM PROJECTS

<u>Name of Community</u>	<u>Project Type</u>	<u>Estimated Amount</u>
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Storm Water Projects:

West Point City	Storm Water Project	<u>\$640,000</u>
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See attachments for detailed information concerning projects.

The State is considering the following list of eligible projects to receive funding during FY2005 from Utah Wastewater Loan Program Funds:

State Loans/Grants - Authorized/Unclosed

Fairview City (Hardship Grant)	\$1,700,000
Twin Creeks (Hardship Grant)	45,000
Central Valley WRF (Planning Grant)	55,000
Moroni City	144,000
Timpanogos SSD (Planning Grant)	36,000
North Fork SSD (Planning Grant)	20,000
Nibley City	200,000
North Fork SSD (Design Grant)	227,500
Central Weber SID (Planning Grant)	<u>\$206,000</u>
TOTAL	<u>\$2,633,500</u>

We anticipate the full measure of sales tax dollars with a limit of \$4.25 million per year. Available funds will be used as twenty percent State Match to the SRF Capitalization Grants.

III. LONG AND SHORT TERM GOALS

Long-Term - The State has the following long-term goals for its funding programs:

Goal #1 - Provide a permanent source of funding that can be used in combination with financing from a community's own resources and other funding sources, to assist in financing needed wastewater facilities construction and water quality projects.

Goal #2 - Evaluate and prioritize water quality needs within the state to allow funds to be distributed in a priority manner to the most environmentally needy projects.

Goal #3 - Maximize the best use of funds by offering state financial assistance for sufficient and affordable funding of construction projects.

In assisting communities to address their needs for adequate wastewater facilities, the Water Quality Board recognizes that such facilities must be sized for future growth. However, in helping communities provide wastewater infrastructure for existing and future users, the Board should be satisfied that proper and adequate planning has taken place so that environmental and quality of life problems associated with sprawl are not fostered by the projects it funds.

Short-term - The State has the following short-term goals for the SRF Program:

Goal #1 - Assist prospective funding recipients with project funding application preparations, during facility planning, and authorize funding for these projects.

Goal #2 - Assist in construction completion of projects that have been assisted with prior year funds.

IV. SUPPORTING INFORMATION ON SRF ACTIVITIES

Pertinent information on the types of activities anticipated to be supported by the SRF, during FY2005, is attached. As identified in the Capitalization Grant application, the State intends to use an amount equal to 4% of the federal capitalization grants for administrative support.

Recipients of SRF loans may be charged a hardship grant assessment, as determined by the Water Quality Board. The hardship grant assessment will be placed into the Hardship Grant Fund outside of the SRF and used as follows:

1. Hardship grants assessments derived from loans funded directly from EPA Capitalization Grants may only be used for purposes identified in 40 CFR Part 31.25.
2. Hardship grant assessments derived from loans made from funds “not directly made available” from EPA Capitalization Grants may be used to provide grants for communities whose projects would not be economically feasible unless grant assistance was provided.

V. ASSURANCES AND SPECIFIC PROPOSALS

The State has assured compliance with the following sections of the law in the State/EPA Operating Agreement, Section XVI, Scope and Roles. In addition, the State has developed specific implementation rules of those assurances in the Utah Administrative Code, R-317-102, Utah Wastewater State Revolving Fund (SRF) Program.

Section 602(a)-Environmental Reviews

Section 602(b)(3)-Certify binding commitments within one year*

Section 602(b)(4)-Certify expeditious and timely expenditures

Section 602(b)(5)-First use for enforceable requirements

*Binding commitments are defined as the date of loan closing.

State Matching funds equaling at least 20% of the SRF Capitalization Grants received are available from repayments of Utah Wastewater Loans. These funds are available or will be available when needed in the Utah Wastewater Loan Program Fund.

VI. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

Utah has met "first use" requirements of Section 602(b)(5).

SRF funds will be distributed using the method, criteria, and eligible activities described in Section R-317-101 & 102 of the Utah Administrative Code. The methods and criteria used are designed to provide affordable assistance while providing the maximum benefit to the long-term viability of the fund.

VII. PROPOSED SRF PAYMENTS SCHEDULE

If projects listed in the 2005 IUP exceed the amount of estimated funds available during the planning period, some projects which are listed may not be funded, some projects may be funded using available leveraging techniques or some projects may need to be delayed until funds are available. See Table 2 for proposed cash draw and payment schedule.

Table 1 UTAH STATE REVOLVING FUND - INTENDED USE PLAN 2005																	
PROJECT IDENTIFICATION				PROJECT SCHEDULE			PROJECT ASSISTANCE										
	EPA Project Number	State Project Number	Binding Commit.	Const. Start	Const CP		Assistance Amount	i	Hardship Grant Assmt	Repmt Period	Beginning Repayment Date	Type of Project	Cost Categ.	FY2005 Priority Ranking	mbe/wbe Reqmts	Discharge Reqmts	
Loans Closed - Remaining Draws																	
Payson City	C490333	148	Aug-01	Oct-03	Jul-04	L	7,479,000	4.0%		20 yrs	Jul-05	212	IVa, IVb, I	2	yes	UT0020427	
Central Davis County SD	C490386	156	Apr-03	Jul-04	Nov-04	L	2,700,000	1.9%		20 yrs	Nov-05	212	IVa, IVb, I	3	no	UT0020974	
Bear Lake SSD	C490312	220	Jul-03	Aug-03	Jul-04	L	2,230,000	0.0%		25 yrs	Jul-05	212	I	18	yes	no	
Fairview City	C490327	120	Jan-04	Feb-04	May-05	L	2,400,000	0.0%		30 yrs	May-06	212	IVa, IVb, I	7	yes	UT0025542	
Loans Authorized - Unclosed																	
Parowan City	C490353	216	Sep-04	Oct-04	Dec-05	L	2,873,000		2.75%	20 yrs	Dec-06	212	I, IVb	9	no	no	
Stockton Town	C490376	231	Jun-03	Jun-04	Sep-05	L	1,870,000		0.0%	30 yrs	Sep-06	212	IVa, IVb, I	12	no	no	
North Davis County SD	C490318	157	Jun-03	Jun-04	Jun-06	L	20,000,000		2.74%	20 yrs	Jun-07	212	I, II	14	yes	UTL021741	
Moroni City	C490372	150	Jun-03	Nov-04	Nov-05	L	2,635,000	2.5%		20 yrs	Nov-06	212	I, IVa	4	yes	UTL002022	
Twin Creeks SDD	C490387	240	Jan-04	Feb-04	Oct-05	L	487,000		0.0%	20 yrs	Oct-06	212	IVa	6	no	no	
North Fork SSD	C490365	227	Apr-05	May-05	Oct-06	L	1,640,000	3.0%		20 yrs	Oct-07	212	II	16	yes	no	
Planned - Unauthorized Projects																	
Timpanogos SSD	C490377	232	Dec-06	Jan-07	Feb-07	L	2,000,000		0.0%	20 yrs	Feb-08	212	I, II	11	no	UTL024384	
West Point	C490375	233	May-04	Jul-04	Oct-04	L	490,000	2.5%		20 yrs	Oct-05	212	VI	2	no	no	
Eagle Mountain	C490374	234	Dec-06	Jan-07	Feb-07	L	2,500,000		0.0%	20 yrs	Feb-08	212	I	15	no	no	
Central Weber/Pineview Water	C490373	235	Dec-06	Jan-07	Feb-07	L	1,500,000		3.0%	20 yrs	Feb-08	212	I	8	no	UT0021911	
Central Valley WRF	C490381	158	Jul-04	Aug-04	Dec-05	L	16,000,000	2.0%		20 yrs	Dec-06	212	II	10	yes	UT0024392	
Hooper City	C490359	136	Mar-05	Apr-05	Dec-06	L	14,774,000	0.0%		30 yrs	Dec-07	212	IVa, IVb	1	yes	no	
Price City	C490393	162	Sep-04	Oct-04	Feb-06	L	87,500	0.0%		20 yrs	Feb-07	212	I	17	yes	no	
Eureka City Corp	C490383	230	Feb-09	Mar-09	Jun-09	L	1,000,000		0.0%	20 yrs	Jun-10	212	I	13	no	UT0024601	
Manti City	C490384	236	Dec-06	Jan-07	Feb-07	L	1,500,000		0.0%	20 yrs	Feb-08	212	IVa, I	5	no	no	

TABLE 2 UTAH State Revolving Fund CASH DRAW AND PAYMENT SCHEDULE 2005 - 2006																
Recipient Name	EPA Project Number	State Project Number	Assistance Amount	Funds to Disburse	Binding Commit.	Const. Start	Const CP	SFY 2005 1 Qtr Jul - Sept	SFY 2005 2 Qtr Oct - Dec	SFY 2005 3 Qtr Jan - Mar	SFY 2005 4 Qtr Apr - Jun	SFY 2006 1 Qtr Jul - Sept	SFY 2006 2 Qtr Oct - Dec	SFY 2006 3 Qtr Jan - Mar	SFY 2006 4 Qtr Apr - Jun	TOTAL
Loans Closed - Draws Remaining																
Payson City	C490333	148	7,479,000	1,282,652	Aug-01	Oct-03	Jul-04	1,282,652								1,282,652
Central Davis Cour	C490386	156	2,700,000	1,300,000	Apr-03	Jul-04	Nov-04	650,000	650,000							1,300,000
Bear Lake SSD	C490312	220	2,230,000	630,000	Jul-03	Aug-03	Jul-04	630,000								630,000
Fairview City	C490302	120	2,400,000	2,399,900	Jan-04	Feb-04	May-05	1,000,000	1,000,000	200,000	199,900					2,399,900
Loans Authorized - Unclosed																
Parowan City	C490353	216	2,873,000	2,873,000	Sep-04	Oct-04	Dec-05		1,000,000	500,000	500,000	437,000	436,000			2,873,000
Stockton Town	C490376	231	1,870,000	1,870,000	Jun-03	Jun-04	Sep-05	600,000	400,000	400,000	400,000	70,000				1,870,000
North Davis County	C490318	157	20,000,000	20,000,000	Jun-03	Jun-04	Jun-06	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	20,000,000
Moroni City	C490372	150	2,635,000	2,635,000	Jun-03	Nov-04	Nov-05		1,000,000	1,000,000	635,000					2,635,000
Twin Creeks SDD	C490387	240	487,000	487,000	Jan-04	Feb-04	Oct-05	300,000	187,000							487,000
North Fork SSD	C490365	227	1,640,000	1,640,000	Apr-05	May-05	Oct-06				800,000	800,000	40,000			1,640,000
Planned Loans - Unauthorized Projects																
Central Valley WRF	C490381	158	36,100,000	36,100,000	Jul-04	Aug-04	Dec-05	8,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	22,000,000
Price City	C490393	162	10,000,000	10,000,000	Nov-05	Dec-05	Dec-06		500,000	500,000	500,000	500,000	500,000	500,000	500,000	3,500,000
Hooper City	C490359	136	10,000,000	10,000,000	Mar-05	Apr-05	Dec-06				3,600,000	2,400,000	2,000,000	1,500,000	500,000	10,000,000
Administration				1,000,000				125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	1,000,000
TOTAL			100,414,000	92,217,552				15,087,652	9,362,000	7,225,000	11,259,900	8,832,000	7,601,000	6,625,000	5,625,000	71,617,552
Federal LOC								6,953,600	0	0	0	3,825,000	2,665,000	463,600	0	13,907,200
SRF Repaymt Fund								6,743,332	9,362,000	7,225,000	11,259,900	4,242,000	4,403,000	6,068,680	5,625,000	54,928,912
State Match								1,390,720	0	0	0	765,000	533,000	92,720	0	2,781,440

TABLE 2		UTAH WASTEWATER LOAN PROGRAM							CASH DRAW AND PAYMENT SCHEDULE 2005 - 2006								
Recipient Name	EPA Project Number	State Project Number	Assistance Amount	Funds to Disburse	Binding Commit.	Const. Start	Const CP	SFY 2005 1 Qtr	SFY 2005 2 Qtr	SFY 2005 3 Qtr	SFY 2005 4 Qtr	SFY 2006 1 Qtr	SFY 2006 2 Qtr	SFY 2006 3 Qtr	SFY 2006 4 Qtr	TOTAL	
Loans Closed - Funds Remaining to be Disbursed:																	
Loans Authorized - Unclosed																	
Planned Loans - Unauthorized Projects																	
West Point	C490375	233	640,000	640,000	Jul-03	Jul-04	Oct-04	640,000								640,000	
Administrative Costs								50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	400,000	
TOTAL			640,000	640,000				690,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	1,040,000	

UTAH WASTEWATER HARDSHIP GRANT PROGRAM								CASH DRAW AND PAYMENT SCHEDULE 2005 - 2006								
Recipient Name	Project	State Project	Assistance	Funds to	Binding	Const.	Const	SFY 2005	SFY 2005	SFY 2005	SFY 2005	SFY 2006	SFY 2006	SFY 2006	SFY 2006	TOTAL
	Number	Number	Amount	Disburse	Commit.	Start	CP	Jul - Sept 1 Qtr	Oct - Dec 2 Qtr	Jan - Mar 3 Qtr	Apr - Jun 4 Qtr	Jul - Sept 1 Qtr	Oct - Dec 2 Qtr	Jan - Mar 3 Qtr	Apr - Jun 4 Qtr	
Fairview City	C490372	C016	1,700,000	1,700,000	Jan-04	Feb-04	May-05					1,000,000	700,000			1,700,000
Timpanogos SSD	C490379	P036	36,000	36,000	Oct-02	Jan-07	Feb-07								36,000	36,000
Twin Creeks SSD	C490387	C021	45,000	45,000	Aug-03	Feb-04	Oct-05	45,000								45,000
North Fork SSD	C490365	D017	247,500	247,500	Dec-04	May-05	Oct-06	247,500								247,500
Moroni City	C490372	D015	144,000	144,000	Jun-03	Nov-04	Nov-05	70,000	74,000							144,000
Central Valley WRF	C490381	P042	55,000	55,000	May-03	Aug-04	Dec-05	55,000								55,000
Hooper City	C490359	136	1,909,658	1,909,658	Mar-05	Apr-05	Dec-06				381,934	381,931	381,931	381,931	381,931	1,909,658
West Point	C490375	233	31,000	31,000	Jul-03	Jul-04	Oct-04	31,000								31,000
Nibley City	C490339	C013	200,000	200,000	Oct-03	Aug-01	May-04	200,000								200,000
Central Weber SID	C490382	P035	226,000	206,000	Jan-04	Jan-07	Feb-07	100,000	106,000							206,000
Price City	C490393	162	87,500	87,500	Sep-04	Oct-04	Feb-06		43,750	43,750						87,500
TOTAL			4,681,658	4,574,158				748,500	223,750	43,750	381,934	1,381,931	1,081,931	381,931	417,931	4,661,658

WQ FEDERAL HARDSHIP GRANT FUND								CASH DRAW AND PAYMENT SCHEDULE 2005 - 2006								
Recipient Name	Project Number	State Project Number	Assistance Amount	Funds to Disburse	Binding Commit.	Const. Start	Const CP	SFY 2005 1 Qtr	SFY 2005 2 Qtr	SFY 2005 3 Qtr	SFY 2005 4 Qtr	SFY 2006 1 Qtr	SFY 2006 2 Qtr	SFY 2006 3 Qtr	SFY 2006 4 Qtr	TOTAL
Hooper City	C490359	136	3,808,342	3,808,342	Mar-05	Apr-05	Dec-06				761,670	761,668	761,668	761,668	761,668	3,808,342
TOTAL			3,808,342	3,808,342				0	0	0	761,670	761,668	761,668	761,668	761,668	3,808,342

WATER QUALITY
ASSISTANCE
PROGRAM

CASH FLOW
PROJECTIONS

STATE FISCAL
YEARS 2005 - 2006

STATE REVOLVING FUND

	SFY 2005 1 Qtr Jul - Sept	SFY 2005 2 Qtr Oct - Dec	SFY 2005 3 Qtr Jan - Mar	SFY 2005 4 qtr Apr - Jun	SFY 2006 1 Qtr Jul - Sept	SFY 2006 2 Qtr Oct - Dec	SFY 2006 3 Qtr Jan - Mar	SFY 2006 4 Qtr Apr - Jun
Beginning Bal. In Fund	42,218,885	37,695,844	30,312,611	25,038,228	15,708,836	16,748,862	11,613,975	6,995,231
Remaining Letter of Credit Draws	224,278				224,278			
State Match	1,390,720	0	0	0	765,000	533,000	92,720	0
EPA Capitalization Grants	6,953,600				6,953,600			
Repayments of Prin. & Int.	2,160,043	2,160,043	2,160,043	2,160,043	2,194,254	2,194,254	2,194,254	2,194,254
Reserve for Non Point Source	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Reserve for On Site Disposal	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Earnings on Balance	160,970	143,725	115,574	95,465	59,894	63,859	44,281	26,671
Planned Loans	(15,087,652)	(9,362,000)	(7,225,000)	(11,259,900)	(8,832,000)	(7,601,000)	(6,625,000)	(5,625,000)
BALANCE IN SRF FUND	37,695,844	30,312,611	25,038,228	15,708,836	16,748,862	11,613,975	6,995,231	3,266,156

UTAH WASTEWATER LOAN PROGRAM

Beginning Balance	6,935,121	6,111,599	7,321,936	8,527,659	9,728,785	10,116,415	10,734,566	11,790,642
State Match	(1,390,720)	0	0	0	(765,000)	(533,000)	(92,720)	0
Earnings on UWLP Balance	(26,442)	(23,302)	(27,917)	(32,514)	(37,093)	(38,571)	(40,928)	(44,955)
Principle Repayments	586,765	586,765	586,765	586,765	542,848	542,848	542,848	542,848
Transfer from Hardship Grant	0	0	0	0	0	0	0	0
Reserve for Storm Water Projects	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Planned Loans	(690,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Sales Tax Revenue	896,875	896,875	896,875	896,875	896,875	896,875	896,875	896,875
BALANCE IN UWLP FUND	6,111,599	7,321,936	8,527,659	9,728,785	10,116,415	10,734,566	11,790,642	12,935,410

WQ STATE GRANT FUND

Beginning Balance	4,569,268	3,965,411	3,883,164	3,985,532	3,754,313	2,517,019	1,581,203	1,347,744
Planned Grants	(748,500)	(223,750)	(43,750)	(381,934)	(1,381,931)	(1,081,931)	(381,931)	(417,931)
Interest Payments on UWLP	118,201	118,201	118,201	118,201	107,544	107,544	107,544	107,544
Earnings on UWLP Balance	26,442	23,302	27,917	32,514	37,093	38,571	40,928	44,955
Transfer to UWLP	0		0	0		0	0	0
BALANCE IN GRANT FUND	3,965,411	3,883,164	3,985,532	3,754,313	2,517,019	1,581,203	1,347,744	1,082,311

WQ FEDERAL HARDSHIP GRANT FUND

Hardship Assessment Subfund of Hardship Grant Fund (SRF)	Beginning Balance in Fund	6,070,192	6,449,124	6,828,057	7,206,989	6,824,252	6,415,516	6,006,780	5,598,044
	Planned Grants	0	0	0	(761,670)	(761,668)	(761,668)	(761,668)	(761,668)
	Hardship Grant Assessments	378,932	378,932	378,932	378,932	352,932	352,932	352,932	352,932
BALANCE IN HARDSHIP GRANT FUND		6,449,124	6,828,057	7,206,989	6,824,252	6,415,516	6,006,780	5,598,044	5,189,308

RURAL COMMUNITY HARDSHIP GRANT FUND

Beginning Balance	0	0	0	0	0	0	0	0
EPA Grant Awards	0	0		0	0	0	0	0
State Match	0							
Planned Grants								
BALANCE IN Rural Community Grant FUND	0	0	0	0	0	0	0	0